more restrictive than the single resource standard set under paragraph (b) of this section. However, the amount of the more restrictive separate standard for aged, blind, or disabled individuals must be no lower than the higher of the lowest categorically needy resource standard currently applied under the State's more restrictive criteria under §435.121 or the medically needy resource standard in effect under the State's Medicaid plan on January 1, 1972.

(d) The resource standard established under paragraph (a) of this section may not diminish by an increase in the number of persons in the assistance unit. For example, the resource standard for an assistance unit of three may not be less than that set for a unit of two.

[58 FR 4933, Jan. 19, 1993]

# § 435.843 Medically needy resource standard: State plan requirements.

The State plan must specify the resource standard for the covered medically needy groups.

[58 FR 4933, Jan. 19, 1993]

DETERMINING ELIGIBILITY ON THE BASIS OF RESOURCES

## § 435.845 Medically needy resource eligibility.

To determine eligibility on the basis of resources for medically needy individuals, the agency must:

- (a) Consider only the individual's resources and those that are considered available to him under the financial responsibility requirements for relatives in §435.602.
- (b) Deduct the amounts that would be deducted in determining resource eligibility for the medically needy group as provided for in §435.601 or under the criteria of States using more restrictive criteria than SSI as provided for in §435.121. In determining the amount of an individual's resources for Medicaid eligibility, States must count amounts of resources that otherwise would not be counted under the conditional eligibility provisions of the SSI or AFDC programs.

(c) Apply the resource standard specified under § 435.840.

[58 FR 4933, Jan. 19, 1993]

### §§ 435.850-435.852 [Reserved]

# Subpart J—Eligibility in the States and District of Columbia

SOURCE: 44 FR 17937, Mar. 23, 1979, unless otherwise noted.

#### § 435.900 Scope.

This subpart sets forth requirements for processing applications, determining eligibility, and furnishing Medicaid.

GENERAL METHODS OF ADMINISTRATION

## § 435.901 Consistency with objectives and statutes.

The Medicaid agency's standards and methods for determining eligibility must be consistent with the objectives of the program and with the rights of individuals under the United States Constitution, the Social Security Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and all other relevant provisions of Federal and State laws.

[44 FR 17937, Mar. 23, 1979. Redesignated at 59 FR 48809, Sept. 23, 1994]

### § 435.902 Simplicity of administration.

The agency's policies and procedures must ensure that eligibility is determined in a manner consistent with simplicity of administration and the best interests of the applicant or recipient.

[44 FR 17937, Mar. 23, 1979. Redesignated at 59 FR 48809, Sept. 23, 1994]

### § 435.903 Adherence of local agencies to State plan requirements.

The agency must-

- (a) Have methods to keep itself currently informed of the adherence of local agencies to the State plan provisions and the agency's procedures for determining eligibility; and
- (b) Take corrective action to ensure their adherence.

 $[44\ FR\ 17937,\ Mar.\ 23,\ 1979.\ Redesignated\ at\ 59\ FR\ 48809,\ Sept.\ 23,\ 1994]$